

San Bernardino County Economic Forecast

San Bernardino County is the largest county in the nation in terms of total land area. The county, along with its neighbor to the south, Riverside County, comprise the Inland Empire. The Inland Empire is the fastest growing economy in the state, and one of the fastest growing metros in the nation. San Bernardino County has a population of 1.95 million people, with over 600,000 wage and salary jobs. The per capita income in the county is \$24,150, the average salary per worker is \$38,740, and median family income is \$56,000.

Economic growth in the composite Southern California area was impressive in 2004, compared to the northern half of the state. Much of the growth in Southern California occurred in the Inland Empire. Last year 25,140 total jobs were created in San Bernardino County, which represents a spectacular growth rate of 4.3 percent. Non-farm employment growth was slightly higher at 4.4 percent last year. The unemployment rate dropped to 5.6 percent in 2004.

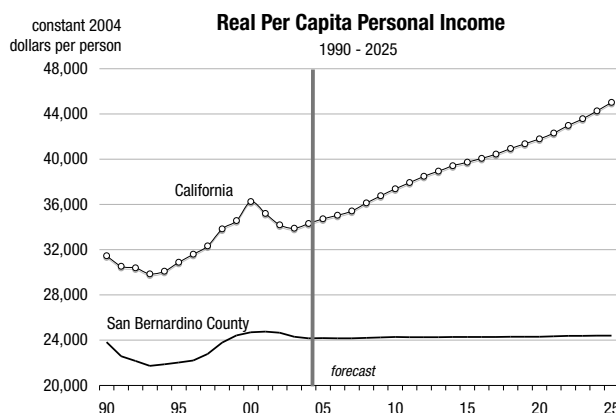
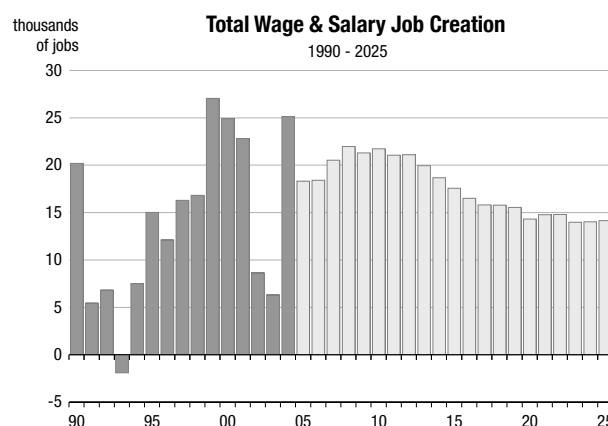
The principal sectors that are producing jobs in San Bernardino County are business services, construction, retail trade, and leisure and hospitality. The recreation and leisure services sector is creating more job opportunities as population continues to grow in the Inland Empire. The manufacturing sector is also creating jobs again, after three years of decline. The non-durable manufacturing sector is currently near an all-time record employment level.

The 2004 to 2005 rate of population growth was 2.5 percent in San Bernardino County. Fontana, Chino Hills, Rancho Cucumonga, Victorville and Adelanto are the fastest growing cities, each exceeding 4 percent growth in 2004.

Population and employment growth are expected to remain healthy for the remainder of the decade in San Bernardino County. The Inland Empire is in a position to dominate growth in California in the coming years.

Forecast Highlights

- Job growth is forecast to decline in 2005, but still remain above 3 percent. Over the next five years, the annual growth rate is expected to average 3.1 percent per year.
- Average salaries adjusted for inflation are currently below the California state average, and will remain so over the foreseeable future. Real average salaries are forecast to rise an average of 0.5 percent per year over the next 5 years.
- Over the next five years, the momentum for employment growth will be in professional services, transportation and utilities, and construction. These three sectors are responsible for over 60 percent of total job growth in the county between 2005 and 2010.



- The population will continue to grow at a rapid rate in the county. Annual growth in the 2005 to 2010 period is forecast to average 2.9 percent per year, largely on the strength of net migration
- Net migration is expected to increase to 41,600 net immigrants in 2005. Over the next five years net migration is forecast to remain strong, averaging 39,500 people entering the county per year. Adequate housing production at affordable values accommodates a healthy forecast of net migration.
- Real per capita incomes are expected to increase at a rate of 0.1 percent in 2005. Over the next five years real per capita incomes are forecast to increase 0.1 percent per year.
- Industrial production is expected to increase by 4.1 percent in 2005. Over the next five years the growth rate of industrial production is forecast to increase, averaging gains of 6.5 percent per year.

San Bernardino County Economic Forecast

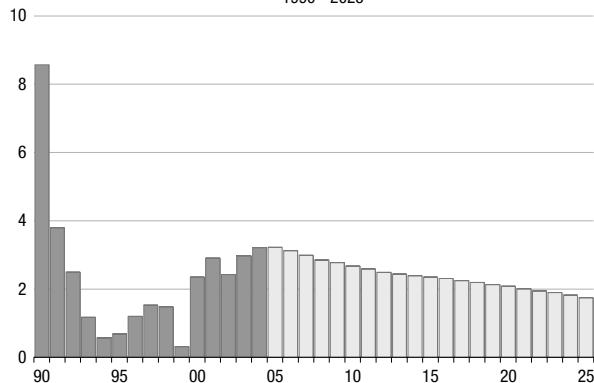
1995-2004 History, 2005-2025 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (millions)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
1995	1,609,000	-7,341	1.13	499.5	3,953	\$12.5	\$28.4	\$22,022	1.6	757.5	7.6	7.9
1996	1,628,400	1,666	1.15	502.9	5,014	\$13.1	\$29.4	\$22,204	1.7	836.6	7.9	7.3
1997	1,653,400	6,003	1.10	506.2	5,593	\$14.0	\$31.2	\$22,773	1.7	811.1	8.7	6.3
1998	1,677,900	6,636	1.17	510.9	6,113	\$15.0	\$33.5	\$23,788	1.4	837.7	9.6	5.6
1999	1,683,200	15,497	1.21	515.9	7,072	\$16.8	\$35.3	\$24,407	2.3	840.2	10.6	4.8
2000	1,722,805	21,691	1.27	528.6	6,580	\$18.9	\$37.8	\$24,692	3.3	698.2	11.8	4.7
2001	1,772,991	32,615	1.33	532.6	8,527	\$19.7	\$40.3	\$24,756	3.4	767.2	10.3	4.8
2002	1,816,127	25,328	1.41	539.4	10,616	\$20.8	\$42.2	\$24,654	2.8	669.6	10.5	5.7
2003	1,870,228	35,114	1.44	547.4	12,640	\$22.6	\$44.0	\$24,288	2.6	667.4	11.4	5.8
2004	1,930,416	40,085	1.49	556.9	18,470	\$24.2	\$46.6	\$24,154	3.3	651.7	12.4	5.6
2005	1,992,705	41,561	1.53	573.1	19,581	\$25.8	\$49.5	\$24,169	2.7	642.0	13.0	5.5
2006	2,055,081	41,451	1.57	590.8	19,602	\$27.6	\$52.3	\$24,167	2.5	632.4	13.6	5.5
2007	2,116,579	40,409	1.61	608.4	19,814	\$29.5	\$55.1	\$24,153	2.4	622.9	14.5	5.4
2008	2,176,957	39,069	1.66	626.2	20,102	\$31.6	\$58.1	\$24,189	2.3	612.5	15.6	5.3
2009	2,237,415	38,857	1.70	644.3	19,692	\$33.7	\$61.2	\$24,247	2.2	603.7	16.6	5.3
2010	2,297,264	37,883	1.75	662.0	19,860	\$36.0	\$64.5	\$24,278	2.4	594.9	17.8	5.3
2011	2,356,784	37,159	1.78	679.9	19,844	\$38.3	\$67.7	\$24,248	2.5	586.5	18.9	5.2
2012	2,415,498	35,952	1.80	697.7	19,924	\$40.7	\$71.2	\$24,257	2.6	578.2	20.1	4.9
2013	2,474,441	35,822	1.82	715.7	19,837	\$43.3	\$75.0	\$24,263	2.7	570.1	21.4	4.6
2014	2,533,786	35,951	1.84	733.5	18,949	\$46.0	\$78.9	\$24,283	2.7	562.2	22.7	4.5
2015	2,593,523	36,175	1.86	750.6	18,691	\$48.9	\$83.1	\$24,286	2.8	554.4	23.8	4.4
2016	2,653,465	36,331	1.87	767.4	18,105	\$51.9	\$87.3	\$24,283	2.8	546.7	24.9	4.4
2017	2,713,214	36,205	1.90	783.7	17,727	\$55.0	\$91.6	\$24,279	2.6	539.2	26.1	4.5
2018	2,772,819	36,241	1.91	799.6	17,528	\$58.1	\$96.0	\$24,290	2.5	531.6	27.4	4.5
2019	2,832,031	36,112	1.93	815.4	17,270	\$61.4	\$100.6	\$24,293	2.5	524.2	28.5	4.4
2020	2,891,204	36,431	1.94	830.9	16,989	\$64.8	\$105.2	\$24,299	2.4	516.8	29.8	4.2
2021	2,949,439	35,932	1.95	846.2	16,570	\$68.3	\$110.0	\$24,331	2.4	509.6	31.0	4.1
2022	3,006,914	35,722	1.94	861.1	16,321	\$72.0	\$115.1	\$24,367	2.4	502.6	31.9	4.1
2023	3,064,060	36,060	1.95	875.8	16,559	\$75.9	\$120.3	\$24,386	2.5	495.7	32.8	4.0
2024	3,120,040	35,668	1.95	890.7	16,407	\$79.8	\$125.6	\$24,397	2.5	489.0	33.9	4.1
2025	3,174,714	35,232	1.94	905.5	15,945	\$83.7	\$131.0	\$24,406	2.4	482.4	34.8	4.1

percent
change

Population Growth

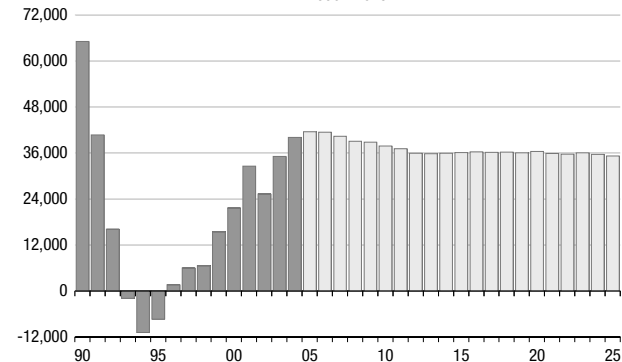
1990 - 2025



immigrants
minus
outmigrants

Net Migration

1990 - 2025



San Bernardino County Employment Forecast

1995-2004 History, 2005-2025 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	-----employment (thousands of jobs)-----											
1995	446.4	4.49	20.5	52.1	28.6	78.0	17.7	39.3	6.8	51.4	37.1	94.8
1996	458.5	4.44	22.0	55.1	28.6	81.3	18.1	38.4	6.2	52.4	38.9	97.5
1997	474.8	4.23	23.1	58.3	29.8	84.3	18.7	41.0	6.6	53.8	39.2	99.4
1998	491.6	4.10	24.6	62.6	33.1	83.8	18.2	45.8	6.9	54.8	40.4	100.8
1999	518.7	4.06	28.0	65.8	34.6	86.9	19.1	51.5	7.3	57.0	41.3	104.9
2000	543.6	4.15	31.7	68.3	36.3	92.2	18.7	54.8	7.1	58.1	45.4	108.1
2001	566.4	4.28	35.1	68.0	35.1	96.3	21.3	59.2	8.3	60.7	47.1	111.0
2002	575.1	4.12	35.9	65.6	35.2	96.9	21.9	60.3	7.5	62.8	48.0	116.2
2003	581.4	3.38	37.6	63.7	36.4	99.8	23.1	62.2	7.3	63.7	47.5	115.4
2004	606.5	3.14	42.1	65.8	39.5	105.0	24.5	67.5	7.3	64.8	50.2	115.4
2005	624.8	3.13	47.5	66.0	42.2	107.5	24.6	71.9	7.3	65.8	51.2	115.5
2006	643.2	3.08	51.7	65.8	46.3	110.4	24.9	76.1	7.3	66.6	52.2	115.8
2007	663.8	3.03	55.4	65.4	50.6	113.0	24.8	81.9	7.3	68.2	53.3	117.0
2008	685.8	3.07	58.3	65.3	55.0	115.9	24.7	87.5	7.3	69.9	54.8	118.9
2009	707.1	2.89	60.5	65.5	59.2	119.1	25.1	92.7	7.3	71.3	56.0	121.7
2010	728.8	2.84	63.0	66.1	63.3	122.3	25.3	97.7	7.4	72.8	57.3	124.2
2011	749.9	2.77	65.2	67.2	67.1	125.4	25.9	102.4	7.4	74.1	58.3	126.7
2012	771.0	2.71	68.1	68.5	70.9	128.5	26.4	106.7	7.4	75.5	59.3	128.9
2013	791.0	2.65	71.2	69.6	74.5	131.5	26.5	110.6	7.4	77.0	60.1	131.1
2014	809.7	2.59	73.3	70.5	78.0	134.6	26.7	114.1	7.4	78.6	61.1	133.2
2015	827.3	2.53	75.1	71.2	81.3	137.6	26.9	117.2	7.4	80.3	62.2	135.3
2016	843.8	2.48	76.0	71.8	84.6	140.7	27.2	119.6	7.4	82.3	63.4	137.6
2017	859.6	2.42	76.8	72.4	87.7	143.8	27.5	121.6	7.4	84.3	64.4	140.0
2018	875.4	2.37	77.4	73.0	90.8	146.9	27.8	123.2	7.4	86.8	65.3	142.7
2019	891.0	2.32	77.8	73.4	93.9	149.9	28.2	124.5	7.4	89.5	66.2	145.7
2020	905.3	2.26	78.4	73.9	96.8	152.9	28.5	125.7	7.5	91.8	66.6	148.5
2021	920.1	2.21	78.9	74.5	99.7	156.1	28.8	126.9	7.5	94.3	67.2	151.3
2022	934.9	2.14	79.5	75.1	102.5	159.2	29.0	128.0	7.5	96.9	67.8	154.3
2023	948.9	2.08	79.7	75.5	105.2	162.3	29.3	129.1	7.5	99.4	68.2	157.2
2024	963.0	2.02	79.8	76.1	107.8	165.5	29.8	130.2	7.5	101.8	68.6	160.2
2025	977.1	1.96	80.2	76.8	110.5	168.6	30.3	131.2	7.5	104.1	69.0	163.0

